

Message Text

LIMITED OFFICIAL USE

PAGE 01 ATHENS 01635 271945Z

16

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AGR-05 CEA-01 CIAE-00 COME-00

DODE-00 FRB-03 H-01 INR-07 INT-05 L-02 LAB-04 NSAE-00

NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-01 TAR-01

TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 FEA-01 /088 W

----- 081307

R 271602Z FEB 75

FM AMEMBASSY ATHENS

TO SECSTATE WASHDC 7664

INFO AMEMBASSY ANKARA

AMEMBASSY NICOSIA

AMEMBASSY VALLETTA

LIMITED OFFICIAL USE ATHENS 1635

EO 11652: NA

TAGS: EINV ETRD GR

SUBJECT: COUNTRY ELEGIBILITY FOR GENERALIZED PREFERENCES

(GSP) UNDER SECS 502 (B) (4) AND (6) OF

TITLE V OF THE TRADE ACT OF 1974

REF: (A) STATE 31586; (B) ATHENS 1424; (C) ATHENS 387;

(D) ATHENS 1420; (E) ATHENS 662; (F) ATHENS 245;

(G) ATHENS A-13; (H) ATHENS 604, 1/29/74.

1. EMBASSY UNAWARE OF ANY CASES TO DATE WHICH WOULD POSE
CLEAR IMPEDIMENT TO GREECE'S ELIGIBILITY FOR GENERALIZED
PREFERENCES DUE SECS. 502 (B) (4) AND (6) OF TITLE V OF
TRADE ACT OF 1974.

2. AS PREVIOUSLY REPORTED, HOWEVER (REFS B AND C), GOG
CURRENTLY IN PROCESS OF INSTITUTING A REVIEW OF ALL INVESTMENT
CONTRACTS SIGNED DURING JUNTA PERIOD. PUBLIC AND PRIVATE
STATEMENTS BY GOG OFFICIALS INDICATE THAT INVESTIGATIONS
WILL FOCUS ON LEGALITY OF CONTRACTS, AND WHETHER THEY ARE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ATHENS 01635 271945Z

IN PUBLIC INTEREST. NEGATIVE FINDINGS COULD RESULT IN

REVISION OF CONTRACTS. MIN OF COORDINATION AND PLANNING
PAPALIGOURAS RECENTLY EXPRESSED CONFIDENCE THAT, EVEN IN
EVENT REVISION OF SOME FOREIGN INVESTMENT AGREEMENTS DEEMED
NECESSARY, IT COULD BE DONE ON BASIS MUTUALLY ACCEPTABLE TO
GOG AND INVESTOR (REF D).

3. OCEANIC CONTRACT, WHICH SIGNED DURING JUNTA PERIOD,
ALREADY SUBJECT OF NEGOTIATION BETWEEN COMPANY AND GOG
OFFICIALS (REFS E AND F). HEAVY GOG PRESSURE IS BEING
BROUGHT TO BEAR ON OCEANIC TO SECURE LARGER ROYALTIES FROM
THASSON FIELD. IT REMAINS TO BE SEEN IF MUTUALLY ACCEPTABLE
TERMS CAN BE WORKED OUT. IT IS PROBABLE THAT RESULTS
OF OCEANIC NEGOTIATIONS WILL DETERMINE TO A LARGE EXTENT
THE FATE OF THE OTHER FIVE OIL EXPLORATION AND DEVELOPMENT
CONTRACTS CURRENTLY IN EFFECT (REF G).

4. KANAVOS (HOLIDAY INN) PROJECT IN SERIOUS DIFFICULTY,
BASICALLY BECAUSE OF GOG'S SUSPENSION--DUE TO ALLEGED
IRREGULARITIES IN HIS OBTAINING THE LICENSE--OF KANOVOS'
BUILDING LICENSE GRANTED DURING JUNTA PERIOD. ACCORDING
TO LOCAL BANKING SOURCE, UNLESS GOG PERMITS RESUMPTION OF
WORK UNDER THE LICENSE IN IMMEDIATE FUTURE, ENTIRE PROJECT
WILL COLLAPSE WITH LARGE FINANCIAL LOSS TO KANOVOS. AT
ISSUE IS NOT GOG ATTEMPT TO NATIONALIZE OF SEIZE, BUT REPUDIA-
TION OF PREVIOUS GOVTS COMMITMENT, WHICH MAY BE SERIOUSLY
DETRIMENTAL TO US CIT ECONOMIC INTERESTS. EMBASSY IN CLOSE TOUCH
LOCAL KANAVOS ASSOCIATES AND ENDEAVORING RENDER ASSISTANCE THROUGH
APPROPRIATE GOG AGENCIES.

5. EMBASSY REPORTED THE ACQUISITION IN EARLY 1974 OF
ATHENS WATER COMPANY BY NATIONAL BANK OF GREECE (REF H).
NATIONAL BANK IS PRIVATE COMMERCIAL BANK, BUT CONTROLLED
BY GOG THRU THE CHURCH, WELFARE INSTITUTIONS, AND
OTHER PUBLIC ENTITIES WHICH HOLD MAJORITY INTEREST.
EMBASSY HAS NO REASON TO BELIEVE THAT FINANCIAL SETTLEMENT
WAS OTHER THAN SATISFACTORY TO ULEN AND COMPANY OF NEW
YORK, THE FORMER OWNER.

6. EMBASSY WILL CONTINUE TO KEEP DEPT INFORMED ON
PERTINENT DEVELOPMENTS, PARTICULARLY THOSE RELATING TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ATHENS 01635 271945Z

PARAS 2, 3, AND 4.
KUBISCH

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE LAW, GENERALIZED PREFERENCES (TARIFFS)
Control Number: n/a
Copy: SINGLE
Draft Date: 27 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ATHENS01635
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750070-0462
From: ATHENS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975029/aaaaahbo.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 31586, 75 ATHENS 1424, 75 ATHENS 387
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 07 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 MAY 2003 by MartinML>; APPROVED <07 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COUNTRY ELEGIBILITY FOR GENERALIZED PREFERENCES (GSP) UNDER SECS 502 (B) (4) AND (6) OF
TAGS: EINV, ETRD, GR, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006